

**Summary of Thirteenth Negotiation Session on
New Water Supply Agreement**

Date of Session: October 27, 2003
Place: Santa Rosa Laguna Pumping Plant
Time: 9:00 AM – 10:30 PM

Parties Present and Represented:

Cities: Cotati, Petaluma, Rohnert Park, Santa Rosa, Sonoma and Windsor.
Special Districts: Sonoma County Water Agency and North Marin, Marin Municipal and Valley of the Moon Water District

Attachment A contains complete list of attendees.

Voting Method:

Voting represents the consensus of the ten parties to the negotiation (Cotati, Petaluma, Rohnert Park, Santa Rosa, Sonoma, Windsor, Forestville Water District, North Marin Water District, Marin Municipal Water District (MMWD) and Valley of the Moon Water District). Each of the ten has one vote to cast pursuant to the rule adopted by the WAC at its meeting of September 9, 2002, namely:

- Decision making style: Consensus (defined as all parties agreeing they are either (a) for an issue (thumbs up), (b) can live with it (thumbs horizontal) or (c) opposed (thumbs down). Vote results are reported when taken as (a/b/c).
- If parties can't come to consensus, table the issue and deal with it at the end of the negotiation.

Status of Response from MMWD to WAC Letter:

Jack Gibson reported that the MMWD Board is still considering the WAC letter regarding continued negotiation participation.

Review of Negotiation Process:

Chris DeGabriele suggested the parties consider an alternative process to the negotiation method used over the past year. He suggested that the SCWA draft and amendment to the 11th Amended Agreement based on those issues where consensus has been reached to date and that the parties focus on negotiating an extension of the MOU re. Interim Impairment. Debate ensued on just what should be addressed in the amendment. Virtually all parties acknowledged that conceptual agreement had been reached on Governance, Conservation and Urban Water Management Planning issues. Key

unresolved issues one or more of the parties stated they believed should be addressed as part of the wrap up centered on:

- Methodology to be used for allocating a shortage of water in the Russian River and how to deal with demand hardening. (Three approaches were discussed: deal with it in the MOU, deal with it in Amendment 12, or leave it to SCWA to decide within the parameters of existing Section 3.5 language after input from WAC members.)
- Issues surrounding Watershed Planning and Charges.

After discussion, the consensus was:

1. Have the SCWA prepare a draft 12th Amended Agreement addressing:
 - Conservation,
 - Governance, and
 - Urban Water Management Planning.it being understood that SCWA would also present its proposed language on:
 - Recycled Water/Local Supply Projects,
 - Town of Windsor,
 - Oakmont Pipeline,
 - Forestville, and
 - Watershed issues.
2. Turn focus to negotiating an extension of the MOU re. Interim Impairment
3. Later, revisit unresolved negotiation issues and again pick up negotiations.

Lee Harry asked that a list of unresolved issues be prepared for future referral.

Continued Negotiation of 21 Key Issues in Contention between SCWA and WAC:

The parties then moved on to the following key issues in contention:

(1) Water Management and Watershed Planning and Restoration Provisions:

A diagram of how the various funds interrelated and associated information was distributed to the WAC (Attachment B). John Nelson stated that at the Sept. 22nd Negotiation Session, it seemed apparent that agreement on how to deal more directly with ESA, watershed and environmental costs will have to await information anticipated to be contained in the Biological Assessment being prepared by SCWA. He then presented suggested final language on Water Management portion of this issue (Attachment C). The parties offered no objections but said they would withhold comment for draft language expected to be included in the SCWA draft of the 12th Amended Agreement.

(2) Recycled Water/Local Supply Projects:

John Nelson reviewed the proposed new language (Attachment D) that would address water contractor contributions and receipts from proposed Recycled Water/Local Supply

Projects Fund. Parties decided to defer further review until they see SCWA's suggested language for 12th Amended Agreement.

Other Business:

WAC agreed to cancel Negotiation Session scheduled for November 24th and to reschedule the December session to December 15th.

Follow-up Tasks for Next Session

1. Recap of October 27, 2003 Negotiation Session (Nelson)
2. Response from MMWD re letter from WAC (Nicolai)
3. Proposed 12th Amended Agreement (Poole)
4. List of Unresolved Issues (Nelson)

Next Negotiation Session

Time and Date: 9:00 AM-12:00 PM, December 15, 2003
Place: Santa Rosa's Laguna Treatment Plant

Attachments:

- A List of Attendees, Oct. 27, 2003 Negotiation Session
- B Flowchart – SCWA Revenue and Funding Relationships
- C Water Management Provisions
- D Recycled Water/Local Supply Project Provisions

Attachment A

Attendees at 10/27/03 WAC New Water Agreement Negotiation Meeting

Al Bandur	City of Sonoma
Darrin Jenkins	City of Rohnert Park
Carl Leivo	City of Rohnert Park
Lee Harry	Valley of the Moon Water District
Steve Simmons	City of Petaluma
Mike Ban	City of Petaluma
Pamela Torliatt	City of Petaluma
Michael Biermer	City of Petaluma
Mike Healy	City of Petaluma
Randy Poole	Sonoma County Water Agency
Miles Ferris	City of Santa Rosa
Mike Martini	City of Santa Rosa
Virginia Porter	City of Santa Rosa
Chris DeGabriele	North Marin Water District
Syed Rizvi	North Marin Water District
Jack Gibson	Marin Municipal Water District
Pam Nicolai	Marin Municipal Water District
Ron Theisen	Marin Municipal Water District
Steve Phelps	Marin Municipal Water District
Matt Mullan	Town of Windsor
Paul Berlant	Town of Windsor
Toni Bertolero	City of Cotati
Janet Orchard	City of Cotati
John Nelson	JONWRM

Public Attendees:

Tom Yarish	Friends of the Esteros
Jane Nielson	Sebastopol Water Information Group
Phil Sorenson	Sebastopol Water Information Group
Brigid Fitzgibbon	Sebastopol Water Information Group
Rick Andres	Sebastopol Water Information Group
Jo Timmsen	Tell the Truth
Bob Anderson	United Wine Growers
John King	Penngrove Area Plan Advisory Committee
H.R. Downs	OWL Foundation
Paul Stuturd	OWL Foundation
Heidi Duffenback	OWL Foundation
Paul-Andre Schabraug	BCWC
Howard Wolfshire	PEER
Brenda Adelman	RRWPC
Don McEnhill	